



## Livestock and Seed Program Audit, Review, and Compliance Branch Quality System Audit Report

**Applicant:** CERES – Certification of Environmental Standards GmbH  
**Program :** National Organic Program - Accreditation for Organic Certification  
Organizations - Desk Audit  
**Location(s):** Desk Audit  
**Audit Date(s):** January 3-31, 2005  
**Audit File Number:** NP5003BBA  
**Action Required:** No  
**Auditor(s):** Martin Friesenhahn  
**Contact & Title:** Dr. Bernhard Schulz – Managing Partner, Controller  
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### AUDIT ACTIVITIES

A representative of the USDA, AMS, LS, Audit, Review and Compliance (ARC) Branch conducted a review of documents submitted by CERES – Certification of Environmental Standards GmbH, located in Happurg, Germany for accreditation, as a certifying agent in accordance with requirements of the USDA, AMS 7 CFR Part 205, National Organic Program, Final Rule. The review was completed on January 31, 2005.

CERES is a for profit business and is applying for NOP accreditation in crops, livestock, wild crop, and handling operations. The CERES Application for Accreditation estimates 30 crop, 5 wild crop, 10 handling, and 0 livestock operations for NOP certification. CERES is a new company and has not yet certified any organic production and handling operations. CERES intends to certify NOP organic production and handling operations in Chile, Brazil, Paraguay, Uruguay, Peru, Ecuador, Colombia, Costa Rica, Guatemala, Mexico, Dominican Republic, Jamaica, Turkey, Romania, Serbia, Poland, Bulgaria, Thailand, Kambodscha, China, South Africa, Egypt, Uganda, and Ghana once accreditation is granted. CERES was accredited on December 30, 2004 by the DAP Deutsches Akkreditierungssystem Prufwesen GmbH for agricultural production, processing, import and export of organic farming products based on regulations equivalent to EEC 2092/91 and agricultural production according to the EUREPGAP Certification Programme for the production of fruits and vegetables.

CERES will use the NOP Standards for certification of organic producers and processors applying for NOP certification. Applicants will be provided an Information Package (**3.3.1 SOP Treatment of Requests of New Clients**) that includes the applicable sections of 7 CFR Part 205 of the NOP Final Rule or the NOP link to the Standard. The Information Package also contains the application form, company profile, offer of fees, contract, appropriate organic management plan, and inspection procedures. The client is also provided (**3.2.9 Inf. Brief Information about the NOP**) a brief information about the NOP issues and areas of certification, and the certification process. “**Brief Information**” is also provided for the respective areas the client is interested in and contains basic information on NOP issues. The certification fees appear reasonable and include information as to what stages the fees are non-refundable.

The CERES application included the resumes, job descriptions and information on the three staff members. The three members were currently listed to perform all operations of certification including the positions of General Management, Certification Officers, and Inspectors. The information provided on the three staff members showed adequate experience to conduct organic certification in the areas

requested for accreditation. Signed Conflict of Interest Disclosure Reports including confidentiality information were provided on the three staff members and four members that were listed on the Advisory Board. The CERES staff attended the NOP seminar during the BioFach 2004. A training plan for 2004/2005 including NOP issues was provided with the application. It was mentioned in the application that additional NOP training would be conducted as new staff and inspectors are hired.

The CERES certification procedures use three different members to complete the application review, inspection, and decision. The current application listed only three members so therefore each staff member would perform one of the different functions of the certification process. The CERES application included forms and procedures for using subcontracted inspectors. However, no subcontracted inspectors had been hired yet. The applications for organic certification will be reviewed by a Certification Officer. The inspector will be assigned to conduct the inspections once the applications are complete. A Certification Officer reviews the completed inspection report and applicable information and makes the decision on organic certification. Upon certification, CERES will issue a letter and certificate that includes the applicable information required by the NOP Rule.

CERES has policies and procedures in place to address inspections, sampling of products, non-compliances, denial, and appeals. CERES will not offer mediation services at this time. CERES also has procedures for submitting the annual report and other information to the NOP as required by the NOP Rule.

## **FINDINGS**

All areas of the NOP Rule were adequately addressed in the application submitted by CERES. The procedures and information provided in the application would allow for the three staff members to conduct NOP Certification. The application did reference subcontractor inspectors and additional staff members. However, since the subcontractor inspectors or additional staff members had not yet been hired and no names were provided, it was not possible at this time to conduct the review on their qualifications or experience. In addition, completed files of certification were not submitted since CERES is a new company and had not yet completed any certification of clients. Therefore, no completed certification files were reviewed during this audit.

## **RECOMMENDATIONS**

This report comes with no recommendation.